GOVERNMENT OF INDIA
MINES
LOK SABHA

UNSTARRED QUESTION NO:1334
ANSWERED ON:09.02.2017
Utilisation of Mineral Resources
Dhurve Smt. Jyoti;Kachhadia Shri Naranbhai

Will the Minister of MINES be pleased to state:

(a) whether the Government proposes to ensure judicial allocation, scientific exploration and optimum utilisation of rare indigenous mineral resources available in the country, if so, the details thereof;
(b) whether the Government is aware that development of network of beneficiaries to create atmosphere for responsible mining in the country is an urgent need of the hour; and
(c) if so, the details thereof and the efforts made/being made by the Government in this regard?

Answer

THE MINISTER OF STATE (INDEPENDENT CHARGE) FOR POWER, COAL, NEW & RENEWABLE ENERGY AND MINES (SHRI PIYUSH GOYAL)

(a): The Mines and Minerals (Development and Regulation) (MMDR) Act, 1957 has been amended through the MMDR Amendment Act, 2015 which, inter alia, provides for grant of mineral concessions through auction by competitive bidding which is a transparent and non-discriminatory manner for allocation of mineral resources and one which meets the twin constitutional objectives i.e., one, the distribution of mineral resources that vest in the State is to sub-serve the common good and, two, the allocation is not violative of Article 14 of the Constitution of India.
Further, clause (b) of sub-section (2) of section 5 of the MMDR Act stipulates that a mining lease is granted by the State Government only if there is a duly approved mining plan which, inter alia, contains a plan for mining to ensure that the mining is done in a scientific manner for optimal utilization of the mineral resources.

(b) & (c): One of the other important amendment provisions introduced through the MMDR Amendment Act of 2015 is the setting up of District Mineral Foundation (DMF) in every district affected by mining activities, which are to be funded through contributions received from the holders of mining leases. Funds so collected are to be used for carrying out works for the interest and benefit of persons, and areas, affected by mining related operations.

To facilitate synergy in implementation of DMF across the States, the Government of India has launched the Pradhan Mantri Khanij Kshetra Kalyan Yojana (PMKKKY) with the objective of welfare of areas and people affected by mining related operations, using the funds generated by District Mineral Foundations. At least 60% of PMKKKY funds will be utilized for high priority areas like: (i) drinking water supply; (ii) environment preservation and pollution control measures; (iii) health care (iv)education; (v) welfare of women and children; (vi) welfare of aged and disabled people; (vii) skill development; and (viii) Sanitation. The rest of the funds will be utilized for the following: (i) physical infrastructure; (ii) irrigation; (iii) energy and watershed development; and (iv) any other measures for enhancing environmental quality in mining districts.

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